GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3474
ANSWERED ON:18.08.2003
TASK FORCE ON AGRICULTURAL MARKETING
V. VETRISELVAN

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Inter-Ministerial Task Force set up by the Ministry of Agriculture tostrengthen and develop agricultural marketing has submitted its report;

(b) if so, the details of recommendations made by the Task Force; and

(c) by when these recommendations are likely to be implemented?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) & (b): Yes, Sir. The inter-Ministerial Task Force on Agricultural Marketing Reformspresented its Report to the Government on 28.6.2002. Major recommendations of the Task Force are as follows:-

i. Promotion of competitive agricultural markets in private and cooperative sectors, direct marketing and contract farming programmes by amending the State Agricultural Produce Marketing Regulation Acts and to provide central assistance forthe development of marketing infrastructure subject to such deregulation and reforms;

ii. Progressive dismantling of controls and regulations under the Essential CommoditiesAct to remove all restrictions on production, supply, storage and movement of, and trade and commerce in respect of all agricultural commodities;

iii. Substantial step up flow of institutional credit to farmers for marketing of crops (pledge financing) to enhance their holding capacity to obtain remunerative price for their produce;

iv. Expand availability of warehousing services in rural areas by introducing negotiable warehousing receipt system for agricultural commodities;

v. Allow futures trading in all agricultural commodities to improve price risk management and facilitate price discovery by amending the Forward Contracts (Regulation) Act, 1952;

vi. To promote use of information technology in agricultural marketing to provide market led extension services to farmers and other market functionaries and to create facility of electronic trading to enable producers to directly transact business with distant buyers; and

vii. To re-orient training and extension systems to assist farming community to respond to emerging challenges in agricultural marketing and to create an ambience of good marketing practices in the country.

(c): Recommendations of the inter-Ministerial Task Force on Agricultural MarketingReforms were discussed with the Ministers dealing with the subject of Agricultural Marketing of all State Governments and Union Territory Administrations and the representative of the concerned Departments/Agencies of the Central Government at a National Conference heldunder the Chairmanship of Hon`ble Agriculture Minister at Vigyan Bhavan, New Delhi on27.9.2002. There was a consensus among all the State Governments/Union Territory Administrations on the need to introduce reforms in the Agricultural Marketing Sector. Since the subject of the Agricultural marketing fell within the purview of State Governments, theywere advised to go ahead with the implementations of the reforms measures as suited to them.